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Central Intelligence Agency



Washington, D. C. 20505

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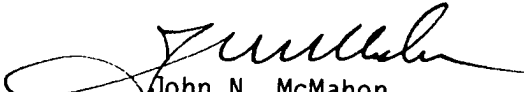
14 FEB 1984

The Honorable Robert C. McFarlane  
Assistant to the President for  
National Security Affairs  
The White House  
Washington, D.C. 20500

Dear Bud:

Thank you for the note on our recent paper entitled Soviet Thinking on the Possibility of Armed Confrontation with the United States. I also appreciated Jack Matlock's commentary that you forwarded and agree with him that an elaboration of Andropov's style and strategy would have helped. I have attached some additional comments on Jack's remarks from one of my senior Soviet analysts.

Sincerely,

  
John N. McMahon  
Acting Director of Central Intelligence

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Attachments:

Tab A - Comments

Tab B - Intelligence Memorandum

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3 February 1984

### **Andropov's Leadership Style and Strategy**

1. We would agree that the coercive measures employed by Stalin to improve the economy probably have some appeal to Andropov. Undoubtedly aware of the tensions that declining economic growth and inefficiency are generating in Soviet society, he seems to have set a course that combines regime firmness toward the population with greater rewards for hard work. It is an overall carrot and stick approach, albeit with the emphasis on the stick during Andropov's first year in office because of Brezhnev's inability to wrench productivity from the workplace. There is no doubt, moreover, that "conservative" elements in the party approve of Andropov's administrative measures (the discipline and anticorruption campaigns), but many Soviets would argue that these are needed prescriptions. That approval is likely to become more widespread since the measures appear to have contributed to an upturn in industrial productivity in 1983.

2. The stereotypical Russian image of Jews as profiteers may, in the present circumstances, cause anti-semitism to rise as part of the campaign for discipline in the economy. A similar campaign was conducted in the 1950s. There is, in fact, a notable increase in government-approved anti-semitic propaganda, which has taken the form of newspaper articles, broadcasts, and the widely-publicized (by Soviet standards) activities of the "Anti-Zionist Committee of Soviet

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Citizens." Although the Anti-Zionist Committee has not figured prominently in the Soviet media over the past several months, the Committee, staffed by people of Jewish ancestry, will probably serve as a mouthpiece for regime policy toward Soviet Jews in the future. We are also struck by the harshly anti-semitic article in Pravda on 17 January. This is the first time in recent memory that an article like this has appeared in such an authoritative forum. (See Tab B, our publication on the subject written some years ago, for more background.)

3. We agree that Russian nationalism is more pronounced, but this is not new with Andropov. Emerging demographic trends, which threaten to alter the ethnic balance of the population, the party and the military in favor of non-Russians, have engendered the growth of Russian nationalism since the late 1970s. In the face of foreign and domestic problems, Russian nationalism is also likely to increase. It is the traditional refuge of Soviet leaders in difficult circumstances. So far, however, recent Soviet leaders, including Andropov, have not moved away from the calculated blurring of Russian chauvinism and Soviet patriotism, stressing, as Stalin did, the former at the expense of the latter.

4. Clearly Andropov has a stake in the "appearance" of bilateral tension as long as it appears that the United States is the offending party. This would not be the first time that Soviet leaders have used international tensions to mobilize their population. Nevertheless, there is no necessary connection between what is essentially a propaganda strategy (e.g. US military threat, danger of war) and actual Soviet foreign policy behavior. There is no indication, for example, that the propaganda strategy is having an impact on operational foreign policy and, in fact, there are indications that the Soviets want to curb any further escalation in the spiral of tension. Moreover, we have seen other signs that the Soviets are telling their own people that the international environment is not that sour.

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## MEMORANDUM

## NATIONAL SECURITY COUNCIL

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January 11, 1984

INFORMATION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: JACK MATLOCK *JSM*

SUBJECT: CIA Study on Soviet Thinking on the Possibility of Armed Confrontation with the United States

I believe the attached study (Tab I) is right on target as regards all its major judgments. Specifically:

--The Soviet leadership is not overly nervous about the immediate prospect of armed confrontation with the U.S.;

--They are however very nervous about the prospects five to ten years down the road--not so much of a confrontation as such, as of a decisive shift in the balance of military power which would require them either to back down or accept the risk of confrontation. They genuinely fear our technological capacity and probably doubt that they could keep up if we went flat out. And just trying to keep up will put enormous pressures on their shaky system.

--Of all the regional disputes, they are probably most nervous about the Middle East, primarily because of the proximity of our forces there. In their eyes, they have acted prudently by not challenging directly our military actions in Lebanon. Israeli or (worse in their eyes) U.S. strikes on Syrian territory would be harder for them to tolerate--but they would probably do so. Still, they do not want to be faced with the choice.

One element which is not elaborated in the paper deserves attention. That is, the nature of Andropov's internal rule, as it is shaping up. I see increasing signs that it is in fact a sort of neo-Stalinism, with the emphasis on discipline and police controls, combined with pronounced Russian nationalism. These trends stem primarily from internal factors and Andropov's own personality, but have implications for foreign policy. In fact, we may have, in Andropov, a Soviet leader who has a policy stake in the appearance of tension, since it makes it easier to mobilize the population if the latter is convinced that there is an external threat. Therefore, while Andropov may be very careful not to provoke a real confrontation, he may see little merit in relaxed tensions for their own sake (as Brezhnev clearly did).

Tab I CIA Study

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January 21, 1984

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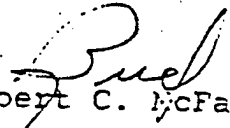
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MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ  
Secretary of State

THE HONORABLE WILLIAM J. CASEY  
Director of Central Intelligence

SUBJECT: U.S.-Soviet Relations (U)

I have read Bill Casey's analysis (Tab B) of Soviet thinking about the prospect of conflict with the U.S. and believe it reflects an accurate portrayal of the strategic realities which are tending in a more stable direction. Jack Matlock has done a one-page commentary which I also concur in (Tab A). I was especially drawn to Jack's last paragraph in which he characterizes the regime's style and strategy. I would welcome any reactions you might have to Jack's characterization. (S)

  
Robert C. McFarlane

Attachments

Tab A - Jack Matlock Memo

Tab B - Casey Analysis

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Central Intelligence Agency



Washington, D. C. 20505

## DIRECTORATE OF INTELLIGENCE

30 December 1983

Soviet Thinking on the Possibility  
of Armed Confrontation with the United StatesSummary

Contrary to the impression conveyed by Soviet propaganda, Moscow does not appear to anticipate a near-term military confrontation with the United States. With the major exception of the Middle East, there appears to be no region in which the Soviets are now apprehensive that action in support of clients could lead to Soviet-American armed collision. By playing up the "war danger," Moscow hopes to encourage resistance to INF deployment in Western Europe, deepen cleavages within the Atlantic alliance, and increase public pressure in the United States for a more conciliatory posture toward the USSR. [redacted]

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Soviet policymakers, however, almost certainly are very concerned that trends they foresee in long-term US military programs could in time erode the USSR's military gains of the past fifteen years, heighten US political leverage, and perhaps increase the chances of confrontation. [redacted]

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This memorandum was prepared [redacted] of the Foreign Policy Issues Branch, Policy Analysis Division, Office of Soviet Analysis. Comments and queries may be directed to the Acting Chief, Policy Analysis Division, [redacted]

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Moscow's sense of pressure and challenge from the United States is probably magnified by difficult near-term policy dilemmas which US actions pose. The Kremlin must consider painful any increases in the rate of military spending; it must provide or deny additional assistance to client regimes under serious insurgent attack; and it must react to a sharp ideological offensive against communist rule at a time of growing public demoralization arising from stagnation in living standards in the USSR and Eastern Europe. Not surprisingly, Moscow is frustrated by and angry at the Reagan Administration. [REDACTED]

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1. Soviet rhetoric would suggest that Moscow believes the Reagan Administration has sharply increased the likelihood of armed confrontation between the United States and the USSR. Soviet spokesmen have accused the President and his advisers of "madness," "extremism" and "criminality" in the conduct of relations with the USSR. They have charged that the United States is pursuing a nuclear first strike capability and preparing to unleash nuclear war as a means of crushing communism. The Soviets maintain that the Reagan Administration is eager to apply military force in the Third World and has no intention of resolving its differences with Moscow through negotiation. [REDACTED]

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[REDACTED] Andropov had sent a letter to all party organizations in October forcefully declaring that the fatherland was truly in danger. [REDACTED]

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3. The question of whether Soviet leaders actually believe that war could break out, and whether they are basing policy on such a judgment, is critical. If the answer to this question were positive, then Moscow would have a strong incentive to pre-empt the United States and might be so hypersensitive to US moves that the chances of accidental conflict would be greatly increased. In our view, however, Soviet leaders do not believe their own war danger propaganda and are not likely to base policy on it. Rather, they have a fundamental and transparent policy interest in making it appear to the world public that the USSR is dedicated to preserving the

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positive elements of the bilateral relationship, that the United States has been intransigent and irresponsible, and that the Soviet side is rightfully angry. Their purpose is to:

- ° Encourage continuing resistance to INF deployment by the "peace movement" in Western Europe.
- ° Create support for a restructuring of arms control talks on a basis more acceptable to Moscow.
- ° Foster a long-term shift in Western Europe toward neutralism.
- ° Deepen suspicions in West European governments of the motives and competence of the Reagan Administration.
- ° Increase public pressure in the United States for concessions to the USSR in future arms control negotiations.
- ° Undercut the President's reelection prospects. [REDACTED]

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4. Embassy Moscow believes it likely that the Soviets have taken a deliberate policy decision to pull out all the stops to create an impression that the US-USSR dialogue has broken down and that the relationship is careening dangerously out of control. This interpretation is supported [REDACTED]

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[REDACTED] by public remarks by such regime spokesmen as Georgiy Arbatov and Vadim Zagladin. Domestically, the propaganda line lays the ground for justifying higher military spending, greater consumer austerity, and tighter labor discipline. [REDACTED]

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5. Apart from the basic Soviet interest in fostering the appearance that confrontation with the United States could erupt at any moment, there are other strong reasons for skepticism that Soviet policymakers either believe this proposition or base policy on it:

- ° Moscow's inflexibility in its INF tactics, its suspension of arms negotiations, and its reduction of contacts with the United States, are not moves the Kremlin would have taken if it genuinely feared confrontation. Rather, it would have tried to keep the dialogue open in order to keep closely in touch with US intentions and lessen the chances of miscalculation.

- ° Soviet policymakers almost certainly realize that the developments most disturbing to them--full US INF deployment, the broad US strategic buildup, and strengthening of US general purpose forces--could influence the military balance only gradually, would not affect the near-term US calculus of risks, and are still subject to substantial political uncertainty.
- ° Historically, Soviet policy has generally been driven by prudent calculation of interests and dogged pursuit of long-term objectives, even in the face of great adversity, rather than by sudden swells of fear or anger.
- ° However disturbed Soviet policymakers might be by the Reagan Administration, they also have a sense of the USSR's strengths and of potential domestic and international vulnerabilities of the United States. They typically take a longer view of Soviet prospects, and the perception from the Kremlin is by no means one of unrelieved gloom.

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6. These considerations imply that any anticipations of near-term confrontation that may exist in Moscow are likely to affect policy more at the margin than at the core. We believe this generalization is supported by how the Soviets probably assess the risk of conflict with the United States arising from two most likely quarters: nuclear-strategic rivalry, and competition in the Third World.

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#### The Nuclear-Strategic Rivalry

7. Despite their impassioned rhetoric about the "nuclear danger," we strongly believe that the Soviets are fundamentally concerned not about any hypothetical near-term US nuclear attack, but about possible five-to-ten year shifts in the strategic balance. In a TV interview on 5 December, the Chief of the General Staff, Marshal Ogarkov, pointed to the factors that would presumably now deter even the most hostile US administration from a deliberate first strike attempt--the large Soviet stockpile of nuclear weapons, diverse delivery systems, "repeatedly redundant systems of controlling them," and the vulnerability of the United States to retaliation. And, in a speech on 18 December, Minister of Defense Ustinov stated there was no need to "dramatize" the current tense situation.

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8. The Soviets probably do believe that US INF missiles, when fully deployed, would significantly affect their plans for conducting nuclear war. They think that the Pershing II is part

of a broader US strategic plan to acquire forces to fight a limited nuclear war in the European theater, and that it would be able to strike critical strategic targets--particularly the Soviet command and control system--in the Western USSR, reducing Moscow's confidence in its launch-on-tactical warning option. They probably believe their public assertion that the range of the Pershing II is 2,500 km rather than the 1,800 km claimed by NATO, which would--as they assert--substantially increase the vulnerability to a sudden disabling nuclear attack of the Soviet leadership and strategic command and control facilities located in the Moscow region. But they apparently were willing to run the risk of passing up a possible INF deal involving no Pershing II deployments, in order to pursue their maximum objective of no US INF deployment at all. They are aware that full INF deployment is not scheduled to be completed until 1988, that it will be attended by heavy political opposition in Western Europe, and that it could be aborted or limited. Their likely near-term countermeasures to INF deployment are not provocative, and do not appear to be emotionally inspired. In Europe, in fact, there has been no serious Soviet threatening, and efforts to woo the democratic Left and maintain economic ties continue. [redacted]

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9. As INF deployment is completed about the same time new US strategic systems are being fielded, the Soviets could see a greater possibility of confrontation with the United States. We do not believe the Soviets think that deployment will decisively alter the strategic balance, but they could think it would embolden the United States to take more risks and increase the chance of accidental war. With the sharp reduction in warning time accompanying deployment of the Pershing IIs, the Soviets could also well fear--as some spokesmen have obliquely implied--that they themselves might mistakenly trigger a nuclear exchange. [redacted]

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#### Competition in the Third World

10. Despite the truculent mood in Moscow, we see no signs of any emerging general pattern of Soviet behavior risking armed confrontation with the United States in the Third World. Nor, by the same token, do we detect much fear that US actions in most parts of the Third World might precipitate an armed clash with Soviet forces that Moscow could not avoid. [redacted]

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11. The single case today in which Moscow clearly does foresee a heightened threat of armed confrontation with the United States is Syria-Lebanon. The Soviets almost certainly are apprehensive that the proximity of US and Soviet combat units could spark a direct conflict. They may also fear that the

recent US-Israeli security agreement could increase the risk of a US-Soviet clash in the event of renewed major hostilities between Israel and Syria. The Soviets have given no sign of interest in attempting actively to use their military resources in Syria and Lebanon to provoke Washington. And Moscow's public response to recent Syrian-US hostilities has been quite cautious. Yet, the Soviets have not been moved by fear of confrontation with the United States to qualify their support of Assad. Thus, in attempting to protect their equities in relations with Syria, they have assumed a posture toward a possible clash with the US that remains basically reactive. The Soviets have privately warned the United States not to attack the Syrians, have pledged to match with their support any US escalation of hostilities, and have asserted that they will use whatever means are needed to maintain their presence in Syria. They will feel under pressure to demonstrate that they and their client cannot be pushed around by the United States. Should US or Israeli military operations expand into Syria itself, the Soviets might be willing to provide much greater (and riskier) military support to Syria. [REDACTED]

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12. In attempting to make good on their threats, the Soviets might face choices that could lead directly to confrontation with the United States. But Moscow's capability to act militarily in the Lebanese-Syrian theater itself in ways that threatened armed confrontation with the United States is limited physically by severe constraints on the Soviet ability to project force rapidly into the region during hostilities, and would be influenced psychologically by considerable uncertainty about reactions that might be anticipated from the White House. The Soviets might agree to expand the number of Soviet advisers in Lebanon if the Syrians demanded this, but would strive hard to limit their combat exposure. They would probably prefer to ignore US-caused casualties among their advisers in Lebanon. At higher escalation levels, they might choose to increase their naval presence in the eastern Mediterranean if they had not already done so, dispatch some fighter aircraft to Syria, and deploy small numbers of airborne or naval infantry troops to rear areas in Syria--with the intention of showing the flag more and raising the deterrent tripwire. They would continue to provide warning data from their ships offshore to air defense units in Syria, would allow Soviet advisers with Syrian air defense units in Syria to participate in combat operations, and probably would authorize Soviet pilots already in Syria to fly combat missions within Syrian air space. They would try to use the SA-5s only in defense of Syrian territory, and even then might restrain themselves if US attacks on Syrian targets were not extensive. They would certainly attempt to defend SA-5 sites against US strikes. [REDACTED]

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Soviet Concerns

13. Having asserted that the Soviets basically are not acting on the belief that war is likely to "break out" soon, we must add that in Moscow the Reagan Administration is nevertheless the least loved of any US administration since that of President Truman; that some Soviet officials may have talked themselves into believing their own war scare propaganda; and that the general level of frustration and anxiety surrounding relations with the United States is substantially higher than it was in the 1970s. [REDACTED]

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14. Soviet officials have perceived a hardening of US policy beginning in the latter part of the Carter Administration. But US actions since President Reagan's election have heightened Soviet anxieties. The major foreign policy defeat represented by the initiation of INF deployment, the perceived unyielding current US posture in the START talks, the US action in Grenada, the deployment of marines in Lebanon, US aid to insurgencies against Soviet client regimes, the Reagan Administration's perceived political "exploitation" of the KAL shootdown, and in general the Administration's perceived unwillingness to acknowledge the legitimacy of the Soviet regime or to treat the Kremlin with the "superpower" deference it desires, appear to have combined to generate a sense of anger toward the United States among Soviet officials and a belligerent mood. [REDACTED]

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15. Moscow, moreover, is probably genuinely concerned or uncertain about several developments that seem to have changed the terms of reference in bilateral relations and could potentially increase the likelihood of hostilities between the United States and the USSR or constrain opportunities for Soviet political gains abroad. These include:

- A possible adverse shift downstream in the overall military balance with the United States arising from the acceleration of US defense spending, support in America for a broad range of new strategic force programs, and increased momentum behind development of US general purpose forces.
- The perceived lower priority accorded by the Reagan Administration to arms control negotiations with Moscow, its unwillingness to accommodate Soviet interests in arms talks, and its apparent intention of developing weapons systems that Moscow may have thought were blocked simply by the fact that arms talks were ongoing.

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--The end of the "Vietnam syndrome" and readiness of Washington to use force once again in the Third World, either by supporting insurgencies against Soviet client regimes--as in Nicaragua, or acting directly--as in Lebanon and Grenada. [REDACTED]

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16. The immediate psychological and political impact of these developments--the enlivened sense of US pressure and "imperialist encirclement"--is probably greatly magnified by the difficult near-term policy dilemmas they pose for the Kremlin. In the defense area, US plans to deploy the Peacekeeper, R&D on the "Midgetman," development of the B1 and Stealth bomber, the beginning of deployment of Pershing IIs and GLCMs, development of precision guided munitions to attack armored forces, and announcement of a program to develop space-based defense systems confront Soviet leaders with a painful and possibly contentious choice of accelerating the growth of defense spending in the 1986-90 five-year plan. Decisions on the plan must be made over the next 12-18 months, and even the costs at the margin of slighting either investment or some improvement of living standards are clearly viewed by the Soviet leadership as very high indeed. [REDACTED]

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17. Insurgencies against client regimes also create unpleasant near-term policy choices which probably reinforce a certain siege mentality on Moscow's part. Instead of being on the attack, the USSR has been placed on the defensive. It is constrained either to up the ante of military and economic aid, or pay the price of loss of political influence. Increases in Soviet assistance carry with it possible indirect costs in relations with third parties. Not least, the existence of insurgencies casts an unwanted propaganda spotlight on the repressiveness of allies of the USSR. [REDACTED]

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18. While the Soviets have an obvious interest in portraying their own side as deeply offended by the militancy of the Reagan Administration's ideological offensive against communism, they probably do in fact find it quite unsettling. On a purely personal level, the top Soviet leadership undoubtedly does resent being challenged publicly by the President of the United States. More importantly, perhaps, Moscow is no longer inclined to treat the Administration's words as "rhetoric," but sees them as reflecting a serious policy aimed at actively exploiting political vulnerabilities across the board in the USSR and the Soviet bloc. The Soviets are well aware of public malaise generated by stagnating consumption and corruption, and of repressed nationalism throughout their empire; and they do not

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discount the power of ideas to weaken compliance or--as in Poland--spark actual resistance. [REDACTED]

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### Prospects

19. The Soviets have a number of options for dealing with the situation as they perceive it. They are probably still counting on the Reagan Administration overreaching itself and

- ° Revitalizing the "peace movement" in Western Europe.
- ° Fanning anti-Americanism in the Middle East, Central America and elsewhere in the Third World.
- ° Losing support among American voters.

Their response to INF deployment provides evidence that they have not abandoned hope of capitalizing upon such developments. [REDACTED]

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20. They could attempt to heighten the war of nerves by engaging in threatening military operations, conducting menacing military exercises or the like. Their approach here would have to be selective in order to avoid counteracting the attempt to depict the United States as the major threat to peace. So far they have not systematically engaged in such activities. To some extent their war scare propaganda has already backfired on them in Eastern Europe, where there has been considerable resistance to the emplacement of new Soviet missiles as a "countermeasure" to NATO INF deployment. [REDACTED]

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21. They could also attempt through proxies to step up the pace of ongoing leftist insurgencies (for example, in Central America) or to provoke new armed conflicts that would, by forcing either US engagement or abstention, damage American interests. Pakistan's border with Afghanistan, or Zaire, perhaps, might be candidates for such attention. However, there are important obstacles or disincentives in most instances to pressing destabilization too hard and too openly, and thus the attractiveness of currently available options along such lines is arguable. [REDACTED]

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22. If Soviet security concerns are basically long-term, as we believe, and are seriously felt, as is likely, we would expect that anxieties here would be expressed in an acceleration of the pace of military spending in the 1986-90 five-year plan. The current tense superpower environment will probably increase the pressures on the Politburo to accept "worst-case" threat assessments and stipulations of requirements from military



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planners--despite the further strain this would place on an already taut economy. The extent of such a response, however, might not be visible to us for several years. [REDACTED]

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